Losses to Talcher and Rourkela Fertilizer Plants

1863. SHRI ANANT SETHI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the public sector fertlizer plants in Talcher and Rourkela in Orissa are running at loss;

(b) if so, since when and the factors responsible therefor;

(c) the year-wise details of losses sustained by these plants;

(d) whether any effort is being made to improve the performance of these premier fertilizer plants; and

(c) the details of projections made for production in 1998-99, 1999-2000 and 2000-2001?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZER (DR. A.K. PATEL): (a) Yes, Sir.

(b) and (c) The details of losses incurred by Talcher unit of Fertilizer Corporation of India Ltd (FCI) and Rourkela Fertilizer Plant (RFP), a unit of Rourkela Steel Plant of Steel Authority of India Ltd. (SAIL) during the last three-years and reasons thereof arc given below:

Name of the PSU	Profit/Loss(-) (Rs. /Crore)			Main reasons for Losses
	1995-96	1996-97	1997-98	
Talcher unit of FCI	(-)140.16	(-)172.32	(-)243.95	Design defficiency, vintage of the plant, frequent equipment breakdowns, inadequate availability of power, flight of talent from the unit and high consumption norms etc.
RFP	21.81	(-)6.43	(-)13.69	Steep hike in the price of feedstock (Naphtha) as well as hike in power tarrif. Moreover, Calcium Ammonium Nitrate (CAN) is a low analysis nitrogenous fertilizer, which is presently not covered under the Retention Price Scheme (RPS)/Price Concession Scheme (PCS).

(d) Apart from the efforts deployed to streamline the operations of the loss making units of FCI, a comprehensive rehabilitation proposal, which includes the Talcher unit also has been formulated. The proposal is to be submitted to the competent authority in the Government and final sanction of Board for Industrial & Financial Reconstruction (BIFR).

Within the constraints of budgetary resources. Government has been providing budgetary support to FCI to enable them to meet their working capital requirement and critical capital expenditure. During the last 3 years, the budgetary support extended to FCI has been as follows:—

Year	Rs/Crore
1996-97	316.00
1997-98	318.15
1998-99	305.00

(e) The projection made for production in case of Talcher unit of FCI

and RFP during 1998-99, 1999-2000 and 2000-2001 are as under:—

Fertilizer Plants	Product	1998-99	1999-2000	2000-2001
		(MT)	(MT)	(MT)
Talcher unit of FCI	Urea	71643	50000	Yet to be decided
RFP	CAN	280000	335000	335000

Gas cracker project in Assam

1864. DR. ARUN KUMAR SARMA: Will the Minister of CHEMICAL AND FERTILIZERS be pleased to state:

(a) the details of conditionalities yet to be fulfilled in regard to execution of gas cracker project to be executed by Reliance group in Assam;

(b) whether the promoters have already drawn the subsidy before it actually prepared the detailed project report;

(c) if so, the total amount of subsidy sanctioned, year-wise and the amount drawn;

(d) whether deadline for discontinuing the promoter and choosing new investor, as indicated by Assam Chief Minister, is being enforced upon;

(e) if so, the details thereof; and

(f) if not, the present status of the project?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) Gas Cracker Project in Assam is a joint venture between Assam Industrial Development Corporation and Reliance Industries Ltd. The main issues pertaining to the implementation of the project arc (i) acquisition and handling over of the required land for the project and (ii) agreement over supply of Associated Gas for the production of 2 lakh TPA of Ethylene. The Government of Assam have identified 1260 acres of land at Tengakhat of which 128 acres of land has been handed over. The remaining land is under acquisition of the State Government. Regarding supply of gas for production of two lakh TPA of Ethylene, finalisation of Gas Supply Agreement between OIL and RAPL is in advanced stage.

(b) and (c) So far no subsidy from the Central Government has been released.

(d) to (f) The Government of Assam have reported that change of promoter is not envisaged now but in the event of the project being delayed indefinitely, State Government will consider substituting co-promoter.

रासायन और उर्वरक मंत्रालय द्वारा संयुक्त उद्यम संबंधी समझौता

1865. **श्री चीमनभाई हरिभाई शुक्ल** : क्या **रसायन और उर्वरक** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या उनके पद-भार ग्रहण करने के बाद आज तक स्वदेशी और विदेशी कंपनियों के साथ संयुक्त उद्यमों की स्थापना करने के संबंध में किसी द्विपक्षीय समझौते पर हस्ताक्षर हुए है;

(ख) प्रत्येक उद्यम में कुल, कितना विदेशी और घरेलू निवेश किया जाएगा;

(ग) इस संबंध में मंत्रालय ने क्या मुख्य निबंधन और शर्तें निर्धारित की है; और

(घ) ऐसे उद्यमों को किन-किन राज्यों में स्थापित करने की अनुमति प्रदान की गई है और अधिगृहीत भूमि आदि का ब्यौरा क्या है?